

105TH CONGRESS
2D SESSION

S. 2507

To stimulate increased domestic cruise ship opportunities for the American cruising public by temporarily reducing barriers for entry into the domestic cruise ship trade.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22, 1998

Mr. MCCAIN (for himself, Mr. THURMOND, Mr. BURNS, and Mrs. HUTCHISON) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To stimulate increased domestic cruise ship opportunities for the American cruising public by temporarily reducing barriers for entry into the domestic cruise ship trade.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “United States Cruise
5 Ship Tourism Act of 1998”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) COASTWISE TRADE.—The term “coastwise
9 trade” means transportation of a passenger between

1 points in the United States, either directly or by way
2 of a foreign point.

3 (2) CRUISE SHIP.—The term “cruise ship”
4 means a self-propelled ship that—

5 (A) is of at least 9,000 gross tons (as
6 measured under chapter 143 of title 46, United
7 States Code) and has a stateroom or berth ca-
8 pacity of at least 200 passengers;

9 (B) provides a full range of accommoda-
10 tions, entertainment, dining, and other services
11 for its passengers; and

12 (C) does not operate as a ferry providing
13 intrastate or interstate commuter service for
14 passengers, vehicles or other cargo for com-
15 pensation.

16 (3) DOCUMENTED VESSEL.—The term “docu-
17 mented vessel” has the same meaning as that term
18 is defined in section 2101 of title 46, United States
19 Code.

20 (4) PERSON.—The term “person” means a cor-
21 poration, partnership, limited liability company, as-
22 sociation, or other entity, the controlling interest of
23 which is owned by citizens of the United States
24 within the meaning of section 2(a) of the Shipping
25 Act, 1916 (46 U.S.C. App. 802(a)).

1 (5) SECRETARY.—The term “Secretary” means
2 the Secretary of Transportation.

3 **SEC. 3. EMPLOYMENT OF FOREIGN-BUILT, U.S.-FLAG**
4 **CRUISE SHIPS IN THE COASTWISE TRADE.**

5 (a) IN GENERAL.—Notwithstanding section
6 12106(a)(2) of title 46, United States Code, section 27
7 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883),
8 and section 8 of the Act of June 19, 1886 (46 U.S.C.
9 App. 289), the Secretary may issue a certificate of docu-
10 mentation with coastwise endorsement for a cruise ship
11 not built in the United States, or if rebuilt, not rebuilt
12 in the United States, to a person that is an owner or oper-
13 ator of such cruise ship.

14 (b) LIMITATIONS.—

15 (1) A certificate of documentation with coast-
16 wise endorsement may be issued pursuant to sub-
17 section (a) of this section only for a cruise ship that
18 was built or rebuilt not more than 10 years before
19 the date of enactment of this Act.

20 (2) A certificate of documentation with coast-
21 wise endorsement may be issued pursuant to sub-
22 section (a) of this section only for a cruise ship
23 that—

1 (A) is of at least 20,000 gross tons (as
2 measured under chapter 143 of title 46, United
3 States Code); or

4 (B) has a stateroom or berth capacity of at
5 least 800 passengers.

6 (3) Certificates of documentation with coastwise
7 endorsement may be issued pursuant to subsection
8 (a) of this section for not more than 3 cruise ships.

9 (4) The Secretary may require any additional
10 appropriate conditions the Secretary deems nec-
11 essary.

12 (b) CONSTRUCTION STANDARDS.—

13 (1) CERTIFICATE OF INSPECTION.—A cruise
14 ship issued a certificate of documentation with
15 coastwise endorsement pursuant to subsection (a) of
16 this section shall be eligible for a certificate of in-
17 spection (as prescribed by 46 U.S.C. 3309) if the
18 Secretary determines that—

19 (A) the cruise ship is classed by and de-
20 signed in accordance with the rules of a classi-
21 fication society accepted by the Secretary;

22 (B) the cruise ship complies with applica-
23 ble international agreements and associated
24 guidelines, as determined by the Secretary. Ad-
25 ditionally, such cruise ship shall be equipped

1 with automatic sprinkler and fire detection sys-
2 tems meeting the requirements of the 1992
3 Amendments to the Safety of Life at Sea Con-
4 vention of 1974 (SOLAS 74) throughout all
5 service and accommodation spaces; and

6 (2) CONTINUED ELIGIBILITY FOR CERTIFI-
7 CATE.—Paragraph (1) of this subsection does not
8 apply to any cruise ship after any date on which the
9 cruise ship fails to comply with the applicable inter-
10 national agreements and associated guidelines de-
11 scribed in paragraph (1)(B) of this subsection.

12 (3) RELIANCE ON CLASSIFICATION SOCIETY.—
13 The Secretary may rely on a certification from a
14 classification society accepted by the Secretary to es-
15 tablish that the cruise ship is in compliance with the
16 requirements of paragraphs (1) and (2) of this sub-
17 section.

18 (d) FOREIGN TRANSFER.—Notwithstanding section
19 9(c) of the Shipping Act, 1916 (46 U.S.C. App. 808), a
20 coastwise qualified United States-flag, foreign-built cruise
21 ship may be placed under foreign registry without the ap-
22 proval of the Secretary any time after its documentation
23 under subsection (a)(1) of this section. The Secretary shall
24 revoke the coastwise endorsement of any such cruise ship
25 when it is placed under foreign registry.

1 **SEC. 4. LIMITED EMPLOYMENT OF FOREIGN-FLAG CRUISE**
 2 **SHIPS IN THE COASTWISE TRADE OF THE**
 3 **UNITED STATES.**

4 (a) IN GENERAL.—Notwithstanding section 12106 of
 5 title 46, United States Code, section 27 of the Merchant
 6 Marine Act, 1920 (46 U.S.C. App. 883), and section 8
 7 of the Act of June 19, 1886 (46 U.S.C. App. 289), the
 8 Secretary may approve the employment in the coastwise
 9 trade of the United States of a cruise ship that is not
 10 a documented vessel (hereinafter referred to as a “coast-
 11 wise qualified foreign-flag cruise ship”)

12 (b) LIMITATIONS.—

13 (1) REPOSITIONINGS. A coastwise qualified for-
 14 eign-flag cruise ship may be employed in the coast-
 15 wise trade during each calendar year for not more
 16 than 2 voyages, the coastwise trade portion of which
 17 does not exceed 2 weeks and includes transportation
 18 of passengers for hire—

19 (A) from one coast of the United States
 20 through the Panama Canal to another coast of
 21 the United States; or

22 (B) along one coast of the United States
 23 during a voyage between 2 foreign countries.

24 (2) CHARTERS.—

25 (A) 30-DAY LIMIT.—Not more than 30
 26 coastwise qualified foreign-flag cruise ships may

1 be employed in the coastwise trade for not more
2 than 30 days per cruise ship during a calendar
3 year.

4 (B) ELIGIBLE CHARTERERS.—A coastwise
5 qualified foreign-flag cruise ship may only be
6 employed in the coastwise trade under subpara-
7 graph (A) if such coastwise qualified foreign-
8 flag cruise ship is time-chartered to a charterer
9 that—

10 (i) does not own or operate a cruise
11 ship; or

12 (ii) is not affiliated with an owner or
13 operator of a cruise ship.

14 (C) EXCEPTION TO 30-DAY LIMIT.—A
15 coastwise qualified foreign-flag cruise ship may
16 be authorized to be employed in the coastwise
17 trade for more than 30 days during a calendar
18 year if fewer than 30 requests for coastwise
19 trade employment authority under subpara-
20 graph (A) are received by the Secretary for a
21 calendar year.

22 **SEC. 5. REPORT.**

23 Not later than January 1, 2004, the Secretary shall
24 report to the Committee on Commerce, Science, and
25 Transportation of the Senate and the Committee on

1 Transportation and Infrastructure of the House of Rep-
2 resentatives on the development of the domestic cruise
3 ship trade since the date of enactment of this Act and
4 make recommendations concerning the expansion or ter-
5 mination of authorities enacted by this Act.

○